

7

Steps to improving CEM through the network



Introduction

Customer Experience Management (CEM) is a hot topic right now in the telecommunications industry. With the market entering maturity, communication service providers (CSPs) have seen revenue and operating profits decline by up to 30% over the last decade. To combat this downturn, and avoid becoming a commodity, CSP's are looking at a range of strategic approaches:

- **Customer Experience Management (CEM) programmes** to provide a superior service and increase share of wallet.
- A movement into the **multi-play** space combining mobile, fixed-line, broadband and TV services, to increase the average customer value.
- An increased focus on **revenue through data**, with new customer pricing packages and data monetisation strategies.
- **Partnerships with over-the-top** (OTT) service providers to take a cut of the revenue streams from applications such as Skype and WhatsApp.
- **New technology** offerings including voice over LTE and voice over Wi-Fi calling to enhance call quality, drive down infrastructure costs and increase coverage.

In this whitepaper...

We take a closer look at one of these strategies; **customer experience management**. We explore what it is, why it is so important in today's marketplace and the potential impact of CEM programmes for CSP's. We have highlighted the crucial 7 steps needed to ensure that the network supports the success of CEM programmes, driving an improved customer experience, with measurable results.

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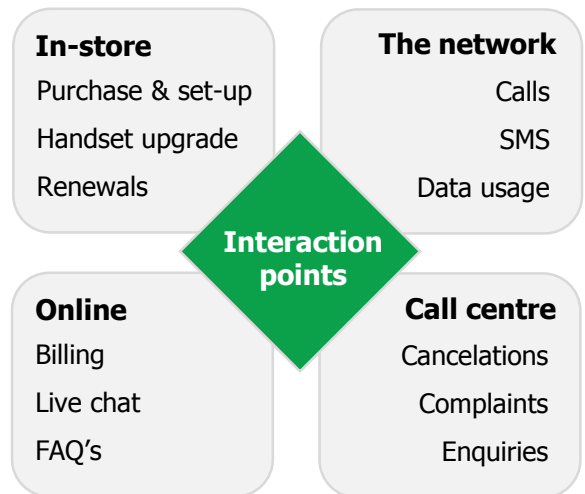
What is customer experience management in the telecoms industry?

Before we start to tackle CEM in the telecoms space, we first need to ask ourselves; what actually is customer experience management? With so many events, webinars and articles on the subject, it may come as a surprise that there is no one clear cut definition. If we take a generic approach, CEM can be defined as:

“The collection of processes a company uses to track, oversee and organise every interaction between a customer and the organisation throughout the customer lifecycle.”

In the telecoms industry, there are multiple key ‘interactions’ throughout the customer lifecycle, ranging from the initial purchase and set up through to service usage, contract renewal and cancellations. These interactions can take place via a number of channels; in-store, online, via the call centre and on a day to day basis with the network.

Interactions with the network are by far the most regular.



Of course when it comes to CEM in the telecoms industry, it is more than just a process of overseeing these interactions. The core objective of CEM is not just to oversee, but to develop and improve the customer experience delivered on a continual basis. So taking this into account for the telecoms industry, CEM can be more accurately defined as;

“The strategic approach of a CSP to oversee and continually optimise their customer’s quality of experience, at every interaction point during the customer lifecycle and beyond.”

Why is CEM so important?

There is no denying that the telecommunications industry has passed through a dramatic time of change over the last decade. With approximately 75% of the global population now owning a mobile phone, industry growth is flat-lining. Customers now demand consistent connectivity across all devices, and if they don't get it, they can easily switch providers. This means that CSPs need new ways to grow their market share.

Average customer value is on the rise

With the introduction of multi-play services, the average customer value is on the up for early moving operators. Many operators are introducing quad-play offerings, combining mobile with fixed line telephony, broadband and IP TV. This 'bundle' approach is great for CSP's revenues when customers are signing up, however if they leave it's a very different story. What would have been a lost revenue for one service, is now a lost revenue for four services. This can have a much greater impact on the bottom line for CSP's. And with Ofcom statistics showing 15% of bundled digital TV subscribers switched provider in 2014 - compared to 8% who purchased a standalone service in the UK alone, customers are actually more likely to switch provider when signed up to a bundle. This means that customer retention has never been more important.

The dramatic impact of OTT players

The rise of over the top (OTT) services has hit mobile network operators hard. [Ovum has predicted](#) that the telecoms industry will lose a combined \$386 billion between 2012 and 2018 from customers using over-the-top (OTT) applications such as Skype, WhatsApp and Netflix. CSP's are taking a number of approaches to tackle this, including launching their own competing services and direct partnering. Whatever approach they take, CSPs must ensure these services deliver extra value and a smooth customer experience.

Social media can work both ways

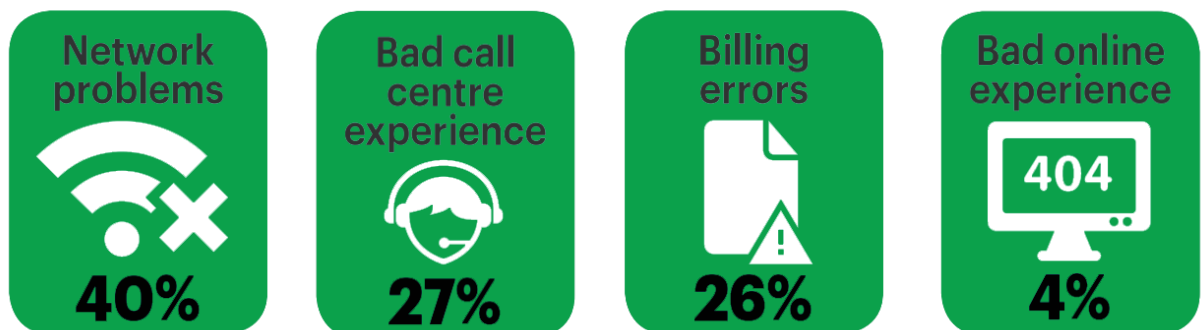
Social media is now highly regarded as a valid marketing technique for CSPs to increase brand awareness, engage with customers and promote their new services and offerings. However, a dissatisfied customer with a strong social presence can rapidly turn that on its head. With many corporate brands suffering a social media kick back that's gone viral ([LG](#) and [MasterCard](#) are prime examples) it's now more important than ever to ensure customers are happy.

What affects a customer's experience?

We are now so dependent on our mobile devices, it is no wonder there are so many things that can lead to a negative customer experience during each interaction point.

- no coverage
- poor call quality
- slow data speeds
- poor customer service
- poor upgrade range
- on-hold times
- high service plan costs
- long complaint resolution time
- in-store queues
- no handset stock
- high roaming charges
- billing errors

Research from the [2015 CEM in telecoms summit](#) has shown that the primary cause of bad customer experience is network problems.



This is not surprising if you think about it – customers may visit a store one or two times a year, review their bill once a month and periodically contact the call centre. However they interact with the network on a daily basis, so it is no wonder it has such a high impact on the customer experience. One bad experience can dramatically affect the net promoter score (NPS) of a customer, the top experience measure used in most mobile network operators. To avoid this, driving improved customer experience through the network is key.

Read on for our 7 steps to improving CEM through the network

Drive CEM from the top and eliminate a silo culture

One of the key factors which is restricting CEM programmes is internal cultures. Many operators have openly identified this as an issue, and recognise that CEM must be driven from the top down, integrating into all departments, including network teams. Sipho Maseko, the CEO of Telkom South Africa recently said at an industry event;

“We cannot talk customer first, then act customer second. Putting the customer first is the most important priority in Telkom.”

And they are not the only ones; MTS Russia, Saudi Telecom and Vodafone Egypt have all spoken about driving CEM from the top. They have also recognised that it is not an overnight process, and can take many years to successfully change an entire business culture. One of the primary CEM barriers identified is the departmental silos found in many CSPs. Customer experience has traditionally been seen as a concern for call centres and in-store teams. Other departments such as IT and network optimisation are only recently becoming more involved with the customer experience, with some network teams now even targeted on NPS scores.

To tackle this, operators need to introduce new processes, communication channels, and in some cases whole new departments to be the voice of the customer internally. There are a host of things operators can, and are implementing to reduce departmental silos and bring CEM to the forefront:

- Rearrange workspaces to encourage cross departmental communications.
- Give every department visibility of CEM performance metrics outside of their direct role.
- Introduce CEM performance metrics into every department’s objectives and reward schemes.
- Implement cross departmental working groups for CEM focused projects.
- Involve all departments in customer journey mapping to enhance understanding and personal impact.

For Vodafone Egypt, Hanny Moneim has explained that every member of staff now has the top line objective to ‘delight the customer by...’ This focus on customer centricity has been instrumental in changing the way staff think and how they prioritize their workloads.

Introduce an end-to-end view of the network

Traditionally, every department within a CSP has only had visibility of their own function, whether it be RAN performance monitoring or CORE optimisation. This approach worked 15 years ago, when there were only simple voice calls to worry about. But now with the introduction of more complex services such as data and voice over LTE, this approach is no longer fit for purpose. To successfully monitor the performance of an entire service, network operators now need visibility of every element, from start to finish, for every activity for every customer.



This complete end-to-end visibility gives rise to impactful changes for network teams:

Network operators can rapidly identify what part of a call path is causing an issue

In the past network operators would jump between tools, reports and departments to identify the specific network element which was causing poor performance. This is a time consuming process causing delays in rectifying network problems. With an end-to-end view in one system, this time is significantly reduced and all the information is available from one screen.

The 'throw it over the wall' approach can be eliminated completely

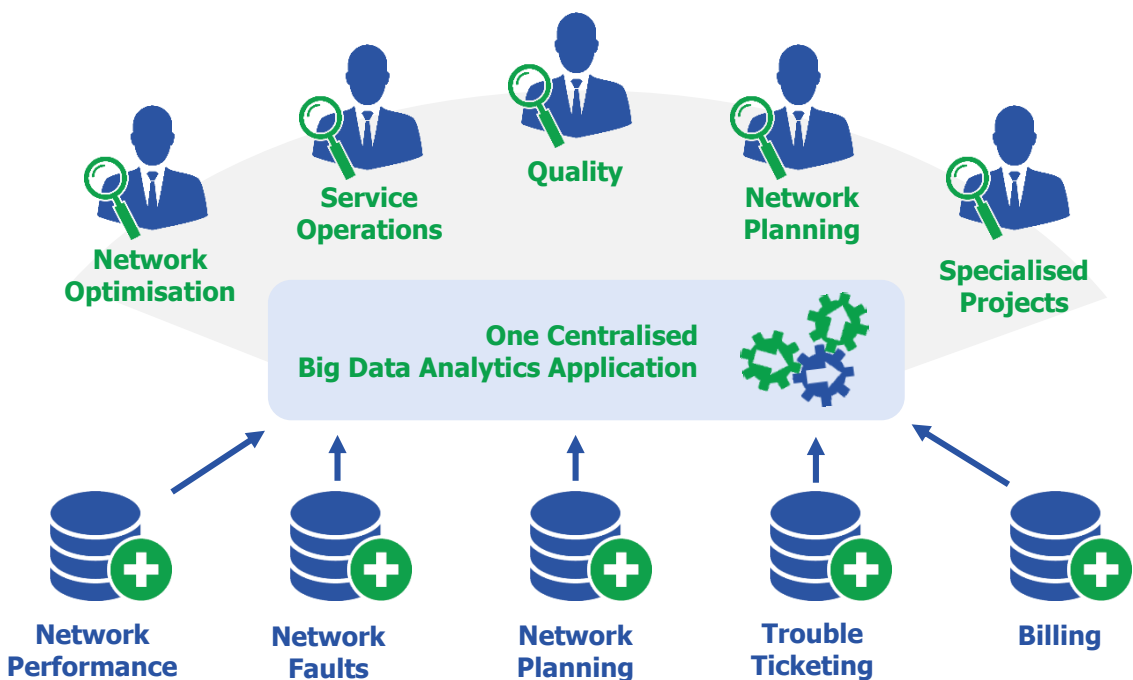
Unfortunately, with network departments working in silos, the 'throw it over the wall' approach can sometimes occur. This can cause significant time delays, with issues ricocheting between departments for days, if not weeks. With visibility of the end-to-end service, complete visibility of where issues lie is given to all departments, and the 'throw it over the wall' approach is eliminated.

And how does this impact CEM? If network teams can identify and rectify performance issues at an increased rate, the overall performance of the network and services improves more rapidly. In step 4 we discuss how in turn, operators can then use this improved visibility to correlate their network data and customer experience data.

Give staff the right tools to work with

To improve the customer experience through the network, having the right tools is essential. It is often the case that whole business units can be dependent on a few data scientists to provide big data analytics from a plethora of specialised tool sets. Staff can be waiting hours or even days to access the information they need to successfully optimise the network, manage traffic and identify network equipment faults.

To overcome this, network teams need a new approach to big data analytics. They need a centralised tool which allows them to bring all of their data streams into one application, which can be accessed by all staff. It must have a simple user interface to reduce the dependency on data scientists and give improved usability to each individual.



THE BENEFITS

- More staff can access network performance information at an accelerated rate and focus their efforts on identifying and resolving network issues.
- Staff are empowered with the functionality to create their own KPIs to monitor the performance of the network for new services, geographical regions and specific segments.
- Information can be more easily shared between departments, enabling collaboration and reducing silos.

Connect network performance with customer experience

Once network teams have the right tools for the job, it opens up all kinds of opportunities for CEM through the network. One of the biggest is the ability to visualise network performance data alongside customer experience data in one screen. Network teams can then take a new approach to managing the network, putting the customer experience first. There are a vast number of use cases demonstrating the impact this has on the customer experience; here are some top examples.

Understand the impact of changes on the network

Network optimisation teams can monitor the impact their work has on the customer experience and perception. This gives an enhanced understanding of what optimisation techniques are actually improving the perceived customer experience and should therefore be prioritised.

Recommend the best device for each customer

By looking at customer satisfaction alongside network performance, operators can identify customers who experience poor service due to their device rather than the network. They can then recommend a device switch to improve the customers' experience.

Use social media for early identification of network issues

The monitoring of social media streams can alert CSP's to frequently reoccurring negative comments or those that escalate at an accelerated rate, often prior to traditional methodologies.

Identify upsell opportunities using handset data

By analysing the services most often used by customers, operators can tailor upsell opportunities, offers and upgrades to meet the customer's individual needs.

Optimise resources with intelligent automation

As technology advances and more services become available, the amount of data that is generated and collected has amplified dramatically. This has put increased pressure on the staff that use this data on a daily basis. There is no denying that users now have much more insight, but if it takes too long to manipulate and gain insight from the data, then they are no better off. Real-time data availability and advanced visualisation goes part of the way to managing the data load, but automation is where there is the most potential.

Network operators need the ability to set up automatic alerts on the incoming data. This mitigates the need to manually trawl through data to identify long term trends or data spikes. Not only does this optimize resource, but with the right automation scenarios, can also be used to directly impact the customer experience. These automation scenarios can range from alerting an operator to a irregularly high dropped call rate to directly alerting customers to planned outages.

Use Case:

Reducing incoming calls to customer care

A tier 1 operator had been correlating the frequency of dropped calls to the time at which a customer gets in touch to complain about a poor service. They found that between one and three dropped calls in a defined period, a customer is unlikely to get in touch. However when 4 – 5 dropped calls is reached, there is a significant increase in calls to the customer care department.

To reduce incoming calls to customer care, an automatic SMS alert is generated if a customer experiences three dropped calls within a given time period. This points the customer to their online care portal as a first port of call.

By letting customers know that their operator is aware of the issues they are having, the customers are more satisfied, and less likely to call.

Make use of predictive analytics

Smart visualisation and automation goes a long way in improving the network to optimise the customer experience. And for some network operators, this is already having a measurable impact. But to take CEM to the next level, predictive analytics is key. By monitoring customer behaviours over time, operators can identify the recurring trends which are impacting NPS, and introduce proactive actions in the future.

This is of course something that cannot simply be switched on overnight – it can take many months to understand the behavioural trends and subsequent outcomes before accurate predictions can be put into place. The process should be approached in stages, starting with more simple predictions and then building the 'library' up over time to incorporate more complex scenarios. Automation can then be used to run proactive actions based on predictions, without the need for human intervention.

When it comes to the network and CEM, predictive analytics can be used for two core levels:

Predictive network performance

Network management teams can use predictive analytics on a macro scale to predict network degradation and identify under-utilised areas of the network.

Predictive customer impact

Network performance statistics can be compared with customer experience statistics to predict future customer needs and identify upsell opportunities.

Predictive analytics outside of the network





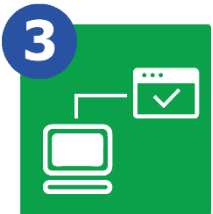

Michaela Jarisch of MTS Russia recently explained at the [CEM in Telecoms Summit](#) how MTS is using predictive analytics to delight customers and boost revenues at the same time with their 'personal offers' programme. By enriching customer profile data they can predict customers future needs and send custom promotional SMS's to increase the total customer value outside of the mobile network.

Improve time-to-market for new technologies

As technological advancements come at a rapid rate, consumers want to have the latest trend as soon as possible. And there is a clear advantage of being first to market for operators; increasing the value of existing customers whilst at the same time attracting new customers who can't get the latest tech elsewhere.

If the latest trend is a new handset, CSPs need to negotiate distribution agreements, arrange stock, set sales targets etc. For a new technology however, the process can be more complex, with the need to upgrade certain elements of the network, purchase, install and test new pieces of equipment and develop tools to monitor the performance of the new technology and services. This can obviously be much more time consuming for CSPs.

Often, one of the main causes of delay for the launch of new services is the ability to access and utilise the data feeds which tell operators how the technology is performing, where any faults are, how this is impacting the quality of service and the impact of this on the customer experience. This can sometimes be left to the end, and then cause delays from weeks to months. To ensure this is not the case, CSP's need to be prepared:

- **1** **Include data analytics requirements from the very beginning of the project.**
- **2** **Map out every element of the new services to ensure all data is captured and understood.**
- **3** **Sample data feeds as early as possible and share these with your software provider.**
- **4** **Create and test the reports and dashboards needed prior to launch of new services.**

Summary

It is clear to see that the network plays a leading role in Customer Experience Management. It is the primary interaction point for customers on a daily, if not hourly basis. By investing time and resource into CEM through the network, operators can improve customer perception, NPS scores and identify winning upsell opportunities to maximise their revenue streams.

Using just some of these steps to improve CEM through the network will give operators a firm foundation to their CEM strategy. Using all seven will make them stand out from the crowd and drive a measurable impact on the quality of experience for their customers.

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SysMech provide next generation, [real time service assurance solutions](#) that are powered by a big data analytics platform, to both mobile and fixed line CSPs.

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Zen comprises integrated assurance domains including Performance Management, Fault Management, Service Management and CEM and is underpinned by its patented automation engine and advanced analytics capabilities. This flexibility means that Zen's user base spans from Service Operations, Optimisation, Customer Care and beyond.



Meet the authors



Mark Slinger

Head of Product

With over 15 years in the telecommunications industry, Mark understands how the marketplace has developed and the increasing need for a focused CEM strategy. As Head of Product, he is responsible for the roadmap of Zen, continually introducing new tech to meet the needs of CSPs.

Keli Stockbridge

Marketing Manager


Keli has a keen interest in CEM, specifically the impact of social media for CSPs. As the Marketing Manager at SysMech, she organises networking and content, covering hot topics the business would like to share their expertise on.



Want to know more?

If you would like to discuss this topic in more detail with our authors, please drop us an email or give us a call today.

 **info@sysmech.co.uk**

 **+44 (0) 1189 332 220**